GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:4172
ANSWERED ON:12.12.2016
Performance of RINL
Ray Dr. Ravindra Kumar

Will the Minister of STEEL be pleased to state:

(a) the details of the targets related to Memorandum of Understanding (MoU) of Rashtriya Ispat Nigam Limited and the achievements in this regard during the last three years and the current year;

(b) whether the performance was not in keeping with the MoU and if so, the reasons therefor; and

(c) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE FOR STEEL (SHRI VISHNU DEO SAI)

(a)&(b): The relevant extracts of MoUs entered into between the Ministry of Steel and RINL for the years 2013-14 to 2016-17 indicating, inter-alia, the range of targets i.e. 'Excellent' to 'Poor', as laid on the Table of the House, are at Annexure I(a) to I(d), II(a) to II(h), III(a) to III(h), IV(a) to IV(b) respectively. RINL has achieved 'Excellent' and 'Good' rating for the years 2013-14 and 2014-15 respectively. RINL has not been evaluated for the years 2015-16 and 2016-17 by Department of Public Enterprises. Variation in performance in 2014-15 over 2013-14 has been, inter-alia, due to global downturn in the steel industry, cheaper imports, slowdown in demand and volatility in the prices of raw material as also due to cyclonic storm Hudhud in October, 2014 etc.

(c) Steel, being a deregulated sector, decisions regarding investment, utilization of resources etc. are taken by the CPSEs based on commercial considerations and market dynamics etc. Government of India has taken several measures to alleviate the problems faced by domestic steel companies including RINL, which inter-alia include imposition of Minimum Import Prince(MIP), imposition of safeguard duty, amendment of steel and Steel Products (Quality Control Order, 2012), etc.

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